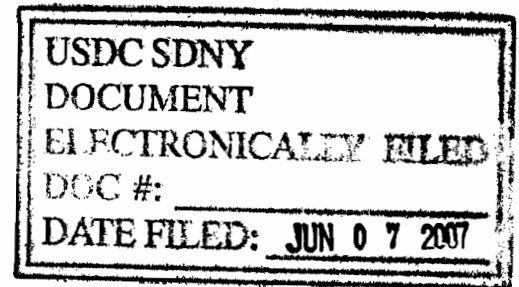


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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

HOULIHAN, LOKEY, HOWARD & ZUKIN,
INC.,

Plaintiff,

- against -

LORRE JAY,

Defendant.


07 CV 4782 (LTS)


ORDER TO SHOW CAUSE
AND TEMPORARY RESTRAINING
ORDER


Upon the Summons and Complaint herein, the Certification of Brian S. Rauch, Esq., dated June 5, 2007, the Memorandum of Law in Support of Plaintiff's Application for a Temporary Restraining Order, Preliminary Injunction and Expedited Discovery, dated June 5, 2007, and upon the accompanying declaration of Michael Fazio, the Head of the New York Office Financial Advisory Services Group for Houlihan, Lokey, Howard & Zukin, Inc. ("Houlihan") executed on June 4, 2007, and good cause appearing therefore, it is hereby:

ORDERED that Defendant Lorre Jay show cause before the Honorable Judge Laura Taylor Swain, at 9:30 A m. on the 16th day of July, 2007, in Room 17C of the United States Courthouse, 500 Pearl Street, New York, NY, why an Order should not be entered:

1. Ordering Defendant to immediately return to Houlihan all copies of Houlihan's electronic files and other property in her possession;
2. Ordering the supervised destruction (so as to preserve evidence) of all data transmitted to Defendant's home computer and personal e-mail accounts or otherwise in Defendant's possession;
3. Enjoining Defendant from using or disclosing Houlihan's confidential and proprietary information in any fashion;
4. Enjoining Defendant from directly or indirectly soliciting or servicing Houlihan clients: (i) who were improperly solicited by Defendant prior to leaving Houlihan; (ii) who were listed in the offer letter given to Defendant by Duff & Phelps LLC; and (iii) about whom Defendant misappropriated Houlihan's confidential and proprietary information;
5. Enjoining Defendant from any solicitation of Houlihan's New York office FAS group's employees.

ORDERED that all discovery desired by the parties in advance of a preliminary injunction hearing in this matter be concluded no later than June 18, 2007; 

ORDERED that personal service of this Order to Show Cause and Temporary Restraining Order, together with a copy of the papers upon which it is based, upon the Defendant or her attorney, at or before 5:00 p.m. on June 6, 2007, be deemed sufficient personal service; 

ORDERED that opposing papers, if any, are to be served upon Houlihan's attorneys, *filed, with a courtesy copy for chambers, and*
Proskauer Rose LLP, 1585 Broadway, New York, New York 10036, so as to be received by
 12:00 noon on the 26th day of June, 2007;

filed, with a courtesy copy for Chambers and /

ORDERED that all reply papers, if any, shall be served upon Defendants' counsel, so as to be received not later than *12 noon July 9* p.m. on ~~June~~ *9*, 2007; *jr*

ORDERED that, pending this Court's hearing on Plaintiff's motion for a preliminary injunction, Defendant and all those acting in concert with her, are hereby directed as follows:

1. Defendant shall immediately return to Houlihan all copies of Houlihan's electronic files and other property in her possession;
2. Defendant shall permit the supervised destruction (so as to preserve evidence) of all data transmitted to her home computer and personal e-mail accounts or otherwise in Defendant's possession;
3. Defendant is enjoined from using or disclosing Houlihan's confidential and proprietary information in any fashion;
4. Defendant is enjoined from directly or indirectly soliciting or servicing Houlihan clients: (i) who were improperly solicited by Defendant prior to leaving Houlihan; ~~(ii) who were listed in the offer letter given to Defendant by Duff & Phelps LLC;~~ and (iii) about whom Defendant misappropriated Houlihan's confidential and proprietary information; and *provided, that Defendant may by June 8, 2007 complete the Waterworks Equity Valuation project that is currently in process.*
5. ~~Defendant is enjoined from any solicitation of Houlihan's New York office FAS group employees; and it is further~~

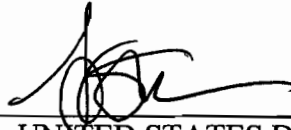
(defined as "Proprietary Information" in Exhibit A to the Fazio Declaration)

ORDERED:

1. That a bond be filed by Houlihan in the amount of \$ *75,000*, on or before the close of business on June *8*, 2007;

2. That this Order will be effective until July 16, 2007, at 5:00 p.m., and not for
longer without further order of the Court; and

This Order issued this 6th day of June, 2007, at 4:00 p.m. for



UNITED STATES DISTRICT JUDGE

Received
6/6/07
[Signature]
Atty Gen D